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EEC Establishes Single Market for Beef

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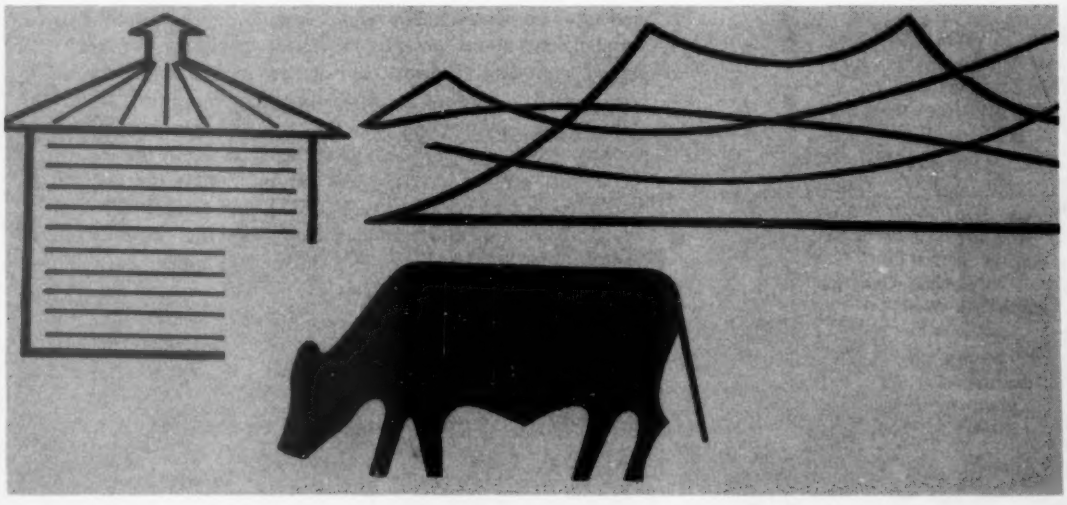

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Perishable Exports: Packing Studies Aim To Expand Markets

By DONALD R. STOKES
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Refrigeration and rapid transportation have brought produce markets in Europe almost as near to the American farmer as many domestic outlets. With these, plus superior quality and packaging, he has been able to compete successfully with foreign producers, who, in many cases, have only to cross land or sea—not some 3,500 miles of ocean—to reach buyers.

But the U.S. farmer's edge on the competition is slipping as foreign producers improve the quality of their produce and packaging and take advantage of their proximity to European markets. Much of this improvement they owe to observation of their U.S. counterparts, and they are now determined to collect their rewards for lessons well learned. Moreover, the European countries have been cooperating on development of standard container sizes to facilitate and economize transport and handling. Although they have not yet agreed on standards, those recommended so far do not match many of the U.S. shipping containers now in use.

Under these circumstances, U.S. shippers cannot afford the luxury of complacency but will have to lure foreign buyers with quality produce in economical, functional, and attractive packages. Looking further into the future to the day when standards are adopted, it would be wise to consider now the possibility of adjusting shipping container sizes to fit tomorrow's international trade requirements.

The why's and how's

The why's of developing improved, more standardized packages are almost self-evident: Reduced bruising; quality maintenance; lower costs of both the packages themselves and of labor and transport; use of new modes of transportation; and more efficient use of loading and transport facilities, including the cargo containers that some people predict will soon be carrying most goods that move in world trade.

The how's have already been set in motion through research and experiments by both USDA and private industry. The ultimate aim of these tests is to give the consumer in London or Frankfurt or Stockholm an apple, pear, or orange that looks and tastes fresh from the tree at a price he is able and willing to pay. Admittedly this goal is high, but substantial progress has been made and innovations at one stage or another of the route from producer to consumer are appearing continually.

Generally, fiberboard boxes have replaced wood boxes,

baskets, and barrels in the shipping of fresh fruits. Many deciduous fruits, such as apples, are packed in molded trays of pulp or plastic, which are then stacked several to the box. These tray packs, long in use in the United States, are catching on quickly in European fruit-producing areas, especially for fruit that moves in international trade. Palletization of the boxes into various sized units is drawing considerable attention, since it reduces handling—and therefore bruising—and facilitates loading and unloading. Some fruits are also being shipped in bulk bins and are arriving in pretty good condition, but palletized tray-pack boxes are believed best.

Apples shipped several ways

U.S. *apples* are being delivered to Europe in excellent condition, thanks to tray packs in fiberboard boxes. Newly developed deep-pocket trays protect the fruit even better than the commonly used shallow-cup ones. Because of the apples' high quality on arrival, they command a premium price overseas despite large supplies of French and Italian apples. But premium prices mean limited markets that can be broadened only by making the cost—not just the product—more appetizing to the average consumer. Answer to this seems to lie in palletization or in large-capacity bins, as evidenced by some recent experiments in which apples were shipped break-bulk in tray-pack boxes, in units of 42 boxes strapped to a 48- by 42-inch pallet, and jumble-packed in 800-pound capacity pallet bins made of fiberboard. Lower handling and transport charges more than offset the cost of palletizing the conventional boxes, resulting in a saving of about 40 cents per box. With the bins, savings were even greater because of lower packing costs. Moreover, fruit pilfered from the pallets and bins was only one-tenth that pilfered from the control lots of individual tray-pack boxes.

Pears—also meeting competition from France and Italy—are usually exported in standard wood boxes and frequently sustain serious bruising and skin discoloration. In a recent experiment they were tray-packed in fiberboard boxes. Although they cost about 0.2 cents more per pound to pack, they arrived in London free from serious bruising and had little slight bruising.

Emperor *grapes* packed for export the conventional way—surrounded by sawdust in wooden chests—pose two problems: The chests are heavy and expensive, and European retailers complain about their size and the sawdust. Nevertheless, the sawdust-pack chest has proved the best package so far among several for getting the fruit to its destination in good shape. Palletized, the chests seem to keep the fruit in even better condition.

Celery, which has begun to do quite well in Europe, poses an additional problem for U.S. shippers. Not only is it bulky and easily damaged, but it also dehydrates easily. Shipped in conventional wirebound crates, it frequently arrives bruised and limp. Experiments show that in polyethylene bags or in crates with polyethylene liners, it arrives crisp and with considerably less abrasion. Two boxes still in experimental use are designed for shipping celery to Europe in cargo containers. Both are made of moisture-resistant fiberboard.

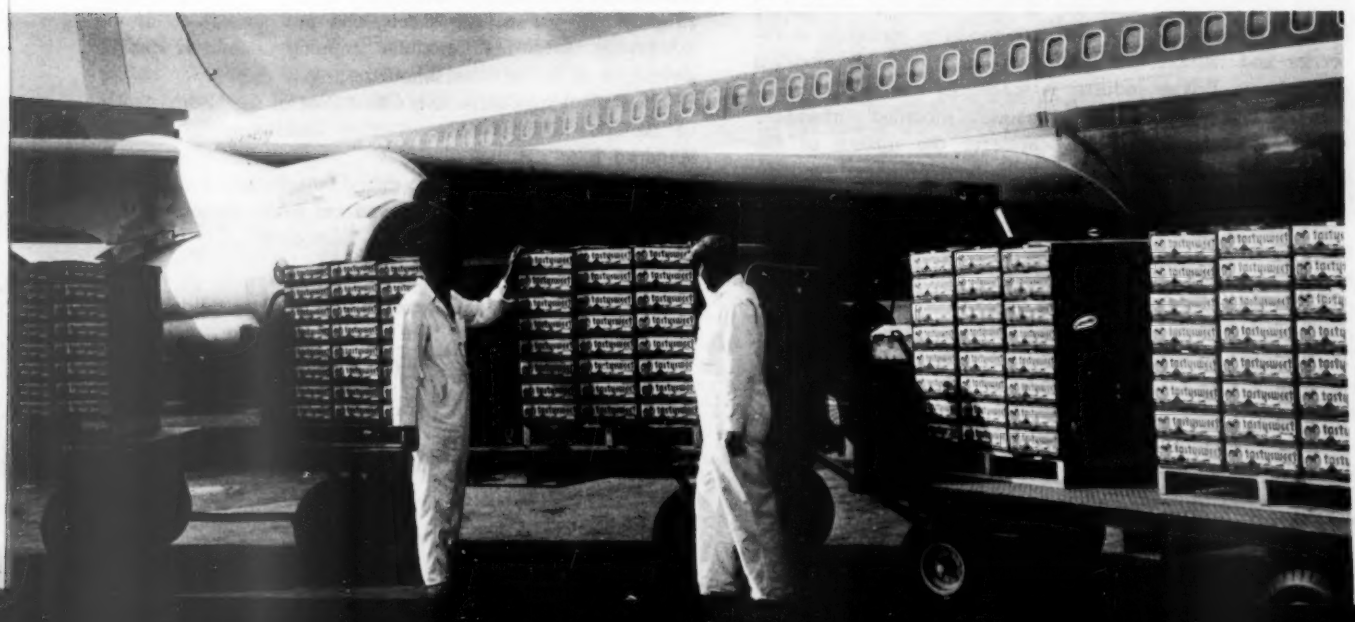
The fiberboard boxes used for exporting *citrus* are pretty much the same as those used in domestic shipments and generally arrive in good condition. However, they do absorb some moisture and some become bulged, creased, and sagging by the time they get to foreign wholesale markets. Wax-coated corrugated boxes would reduce moisture absorbtion and probably remedy much of this. Even though they would add to the delivered cost of the fruit, the superior appearance of the fruit might improve its competitive position over citrus exported from other countries.

Tests have also been made with other products believed to have sales potential overseas. *Peaches, nectarines, avocados,* and *plums* have been shipped in protective and attractive cell trays made of plastic or molded pulp. *Iceberg lettuce, green peppers,* and *sweet corn* have been packaged in special ways to deliver them to overseas markets in superior condition.

Lightweight boxes for air shipment

All the commodities covered so far are shipped by surface transportation. However, some experts are predicting that by 1971, 10 percent of all produce marketed will be shipped by air, where quality maintenance presents fewer

Strawberries, packed in fiberboard boxes and neatly palletized, are ready for air shipment to markets. Shippers are now experimenting with polystyrene foam containers for this and other commodities.



problems. Although most of this will be moving domestically, recent experience shows that Europeans will pay premium prices for some U.S. products during their own off seasons. If the price were lower, they would probably take more.

Key to cutting the price to the European consumer lies in reducing transport charges. Several years ago the international air carriers agreed to lower charges for most produce (see *Foreign Agriculture*, July 26, 1965). Shippers can reduce costs even more by developing lightweight containers that can be stacked on pallets for efficient loading and unloading and optimum use of space in jet freighters. In a recent test polystyrene foam containers were used in five shipments of perishables to Europe. The following table compares the weights and shipping costs of each (at 1967 freight rates) with those of the traditional containers:

Commodity	Type of box	Tare weight	Capacity of box	Air freight charges for box	Potential savings per box
		Pounds		*Dollars*	*Dollars*
Cherries	Wood lug	3.50	18 pounds	.95	—
	Polystyrene	.75	Do.	.20	.75
Grapes	Wood lug	3.50	22 pounds	.95	—
	Polystyrene	.75	Do.	.20	.75
Nectarines	Wood lug	4.00	28 pounds	1.08	—
	Polystyrene	.75	Do.	.20	.88
Strawberries	Fiberboard	1.12	12 pints	.38	—
	Polystyrene	.62	Do.	.21	.17

With the exception of the strawberry flats, the polystyrene foam boxes arrived in good condition. Buyers either accepted the boxes without comment or commented favorably.

USDA, container manufacturers, and California shippers are currently developing two containers designed especially for shipping produce by air. One is a fiberboard and the other an expanded polystyrene foam box. They are 50 centimeters (cm.) long and 30 cm. wide, one of the dimensions recommended by the Europeans. Both will be tested for shipping peaches, cherries, plums, and nectarines to Europe.

While much research is being aimed at reducing the cost and improving the quality of containers, some people are directing their attention at the atmosphere outside the container and some at the atmosphere within the package.

Atmosphere has a lot to do with how produce holds up in shipping, since fruits and vegetables are living things. Experiments are currently underway to test controlled-atmosphere storage and shipping, and some commodities, including strawberries and lettuce, are already being shipped in modified atmospheres. Private industry is reportedly working on packages that will make it easier to maintain modified atmosphere within packages and thereby preserve the quality of the product. Radishes in modified-atmosphere packages are now being marketed commercially.

How the produce is packed within the container will become more and more important in international marketing as the movement toward prepackaging continues. This movement is quite evident in Western Europe, where it is directly related to the trend toward self-service merchandising. Prepackaging of fresh produce is expanding most rapidly in the United Kingdom and West Germany; less rapidly in the Netherlands, Switzerland, Belgium, and the Scandinavian countries; and to some extent in France and Italy. Generally speaking, the unit packages are much smaller in Europe than in the United States because refrigeration is not so widespread and purchases are therefore made in smaller quantities. Europeans also appear more interested than Americans in kitchen-serviced fresh produce—peeled and already prepared—since they have fewer freezers. Perhaps for the same reason, food manufacturers and distributors in Europe appear to be more interested in freeze-drying. In the long run, it may prove more economical for European, Near Eastern, and African countries to freeze-dry produce than to invest in refrigerated transportation and storage equipment.

Packaging for cargo containers

Some people are even looking to the day when the expense of using heavy export-type boxes and crates and metal strapping will be reduced or eliminated altogether by loading produce directly into huge cargo containers. The outstanding advantage of using cargo containers is that they reduce handling labor, as they are loaded at point of origin and not unloaded until they reach the receiver's warehouse. This results in another saving from reduced pilferage, since the cargo container remains unopened from start to finish.

One firm has already eliminated the use of 350 export shipping containers by loading 2,400 consumer-sized packages of crackers into a 40-foot cargo container. With perishables the most successful experiment so far has been with frozen poultry. Although shipping containers were not eliminated, less sturdy and less costly ones were found adequate for shipping frozen poultry in cargo containers. Frozen chickens and turkeys were packed in 200- and 250-pound test strength corrugated board in lieu of the 275-pound test strength board used for overseas shipments. Strapping of the boxes was also eliminated. Shipping poultry in this manner results in a saving of 13 cents per 100 pounds.

Whether containerized shipments need to be unitized on pallets, slip sheets, or pull sheets is debatable. Use of pallets generally means less efficient use of space within the cargo container, against which the economies of more efficient loading and unloading have to be weighed.

The drive toward greater efficiency in international shipping of perishables takes one more major direction: standardization of containers to bring lower costs of manufacturing, reduced costs of inventories, easier handling, and uniformity of packs. It seems desirable to first develop standard dimensions for transport equipment and then standard "base silhouettes"—pallets, slip sheets, and pull sheets—to fit the equipment. After that, modular shipping containers can be developed to fit the base silhouettes.

The Packaging Dimensions Committee of the United States of America Standards Institutes is attempting to develop standard base silhouettes and shipping containers that will best fit a cargo container with outside dimensions 8 feet wide, 8 feet high, and 20 feet long and net inside dimensions 88 by 230 inches. The Committee has been considering five nominal base sizes for pallets, as follows:

Base size	Most suitable transportation
48 by 40 inch	International carriers
44 by 36 inch	International carriers and U.S. railroads and trucks
42 by 36 inch	U.S. railroads and trucks (reefers)
42 by 40 inch	Air transport (commercial)
52 by 42 inch	Air transport (military)

Clockwise from above: Variety of apple boxes found in a typical warehouse emphasizes lack of standardization in U.S. shipping containers; workman strains with wood lugs, usual containers used for shipping grapes; grapes are packed in polystyrene foam boxes, which cost 75 cents less to air ship than do the wood lugs.

Today, some 70 percent of all the groceries shipped in the United States move on the 48- by 40-inch pallet, which is the standard size recommended by the Grocery Manufacturers of America, the National Association of Food Chains, and the National Association of Wholesale Growers. In centimeters its dimensions correspond roughly to the 120- by 100-cm. pallet coming into use for fruits and vegetables in Europe.

Developing boxes that will efficiently utilize space on these pallets has proved more difficult than deciding on standards for the pallets themselves. A study of the most commonly used boxes, crates, lugs, and chests for shipping fruits and vegetables shows that very few utilize more than 90 percent of the space on a 48- by 40-inch pallet. This is because most of them were designed to fit into refrigerator cars, most of which do not have dimensions suitable for use of a pallet this size. However, as more perishables are palletized for transport in trucks, piggyback trailers, railroad cars, airplanes, and steamships, excessive loss of space in transport equipment and in storage will be too expensive to tolerate.

OECD suggests standards

In Europe the most commonly used pallets are the 100- by 80-cm. pallet—the size adopted by the European Railway Pool—and the 120- by 100-cm. pallet. For some 13 years now, the European countries have been studying the problem of standardizing the shipping containers that go on the pallets. Working through the Organization for Economic Cooperation and Development (OECD), they have surveyed the containers used in various countries, undertaken packaging research, conducted experiments, and come up with four outside length and width dimensions:

- 60 by 40 cm. (23-10/16 by 15-12/16 in.)
- 50 by 30 cm. (19-11/16 by 11-13/16 in.)
- 40 by 30 cm. (15-12/16 by 11-13/16 in.)
- 50 by 40 cm. (19-11/16 by 15-12/16 in.)

All four of these containers fit the 48- by 40-inch pallet and the 120- by 100-cm. pallet, the one most European packaging experts believe will eventually be found most efficient to use. Comparing the European-recommended containers with the ones now in use in the United States, the 50- by 30-cm. box is nearly identical to the standard wood pear box and roughly comparable to the tray-pack apple box, the 40- by 30-cm. box is slightly smaller than the U.S. lemon box, and the 50- by 40-cm. box is comparable to the sawdust pack grape chest; no U.S. boxes compare with the 60- by 40-cm. container.

Obviously, the containers now in use in the United States do not match well those recommended by the OECD, which were selected according to the needs of intra-European, not overseas trade. Recently, however, the OECD began a survey of major world ports to study handling and storage facilities that would affect the ultimate choice of standard containers to be used in international trade. One thing seems certain: At some point in the future perishables will be shipped unitized, such as on pallets or pull sheets that will require standardized containers to make most efficient use of transport and storage space. When that day arrives, the country that sells most on the international market will be the one that kept attuned to developments as they occurred and made adjustments as necessary.

EEC Establishes Single Market for Beef

BY HARLAN J. DIRKS
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The European Economic Community on July 1 completed its 5-year advance toward a single market for beef. With import prices of its six members now unified, the Community becomes an even more limited market for imports of beef carcasses and cuts from third countries. But it still presents a fairly good market for livestock and meat products not covered by the import levy system.

The basic changes provided for in the market unification are as follows:

- Abolition of all trade barriers among member countries —the one exception being for veterinary reasons.
- Establishment of a single market, orientation, and intervention prices, plus a common-import levy against third country imports.
- Special import arrangements for young fattening cattle.
- New provisions for importing lower quality frozen beef destined for manufacturing purposes.
- Export subsidies covering the difference between Community and world market prices.

The primary goal of the new unified CAP for beef is to encourage domestic production and free trade within the Community and to regulate imports as a means of maintaining producer prices. During the transitional phase, imports of live cattle and beef leveled off, domestic production rose, and prices paid to producers remained high.

Unified price system

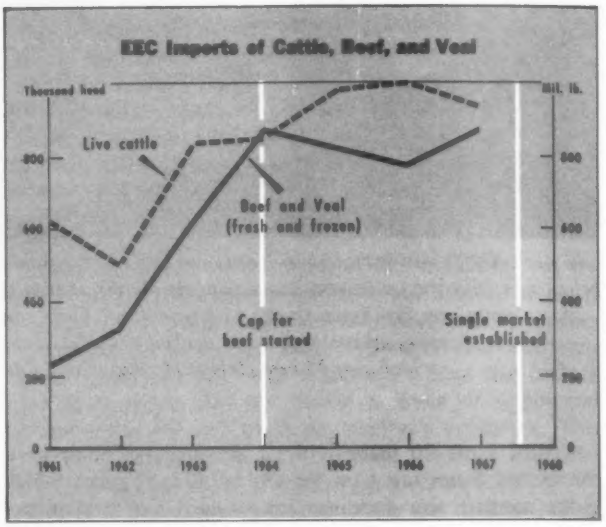
The unification on July 1 means that all countries of the EEC now use identical factors to determine when domestic cattle prices should be raised through government intervention and when additional levies should be applied on imports from third countries.

The three key factors used in this process are the single market price, the common orientation price, and the calculated import price.

The *single market, or reference, price* is used to determine when to impose a levy on imports and when to intervene on the market. It is calculated from reported market prices for slaughter cattle in each state. The final weighting is equal to each state's share of EEC cattle numbers—France 40.8 percent, West Germany 27.5 percent, Italy 18.9 percent, Netherlands 7.3 percent, Belgium 5.2 percent, and Luxembourg 0.3 percent.

The *common orientation, or target, price* is the price supposedly needed to give a reasonable return to producers. It is set annually and for the 1968-69 marketing year is pegged at $30.84 per hundred pounds, live weight.

The *import price* is a calculated price based on a weighted average market price for adult slaughter cattle in representative markets outside the Community. The quotations are weighted by country as follows: Denmark 50 percent, the United Kingdom 25 percent, Ireland 15 percent, and Austria 10 percent. The Commission then adds to this a transportation fee plus 16 percent ad valorem to get the calculated import price for live animals. Special import



prices are calculated for other countries when their offer prices are less than the calculated import price. The difference between the orientation price and the import price is the full levy on live cattle.

Import levies and government intervention

Under the new single market, one import levy, which is calculated every week, applies for the entire Community. The system provides that when the market price is equal to or less than the orientation price, full levies are to be applied. The levies are then to be reduced by one-fourth for each 2 percent upward change in the market price. When the market price exceeds 106 percent of the orientation price, there are to be no levies on imports. Formerly only full, half, or no levies were applied.

HOW THE EEC SETS SLAUGHTER IMPORT LEVIES FOR ADULT CATTLE [1]

Community slaughter price (U.S. dol. per 100 lb.)	Percent of orientation price	Import levy	
		Rate	Percent of full levy
	Percent	*U.S. dol. per 100 lb.*	*Percent*
Over 33.00	Over 106	0	....
32.01-33.00	104-106	2.77	25
31.46-32.00	102-104	5.55	50
30.85-31.45	100-102	8.32	75
30.84 or less	100 or less	11.09	100

[1] Based on an orientation price of $30.84 and a hypothetical calculated import price of $19.75.

Last year, levies on beef carcasses and beef cuts were determined by applying a series of single coefficients to the levy on live cattle. Since December 1967, two coefficients have been used for each product. The levy is equal to the difference between the orientation price multiplied by one coefficient and the calculated import price for live cattle multiplied by a smaller coefficient. The new method increases the amount of the levy.

In addition, there is a 20-percent duty on beef imports. These extremely high import charges on beef cuts have

made it difficult to establish a market on the Continent for our high-quality beef. However, our traditional exports of variety meats, hides and skin, and inedible tallow are not affected by the import levy system.

Intervention measures may be taken in the market for beef when the market price of adult cattle is less than 98 percent of the orientation price. Action can also be taken when the prices on one or several representative markets of a member state for different products drop below certain levels. Intervention measures must be taken if a representative market price for cattle in a member state falls below 93 percent of the orientation price. Intervention may take the form of purchases by intervention agencies or aids to private storage.

Imports of live animals, frozen beef

In order to increase beef production in the Community without further increasing milk production, the Commission has completed arrangements whereby adult male cattle (mainly feeder steers) and calves can be imported from third countries under special import concessions. These concessions exempt the import levy and halve the duty on steers weighing between 485 and 660 pounds and remove all of the levy and duty on male calves weighing less than 176 pounds. These concessions are to be granted if: (1) Cattle are fed for at least 100 days, and (2) prices for calves on the representative market in the Community are above the orientation price. It still remains to be seen whether West Germany will be given special concessions to import live slaughter cattle from Denmark.

Frozen beef imported for processing also benefits from a number of new provisions under the unified market. Each year before the first of December and each 3 months thereafter, the Commission will decide the amount of processing meat needed for industrial utilization in the Community. After drawing a balance sheet, the Commission will decide on the policy to follow regarding the import of manufacturing-quality frozen beef, taking into account prices and the prospective supplies available in the Community.

Although the general rules state that the customs duties shall be maintained and the levy is to be applied on a permanent basis, several provisions are provided whereby the levies can be totally or partially suspended. It is expected that most of the frozen beef for processing will enter levy free.

Export subsidies

The new Council order establishes the rules for granting export subsidies on cattle and beef products. These subsidies may be granted for all products subject to the basic beef regulation and may vary according to destination.

Export subsidies are determined after consideration is given to the current and prospective beef situation in the Community. The prices of cattle in the Community and on the world market are the two key factors, with the subsidies representing the difference between the two. Subsidies are fixed at least once each month except for preserved meats and tallow, which are fixed every 3 months.

No subsidy may be granted for re-exports.

In spite of the export subsidy, the EEC must commit most of its supplies to meeting domestic demand for beef—a product in which it is still not self-sufficient. Thus, the Community will probably not become a sizable exporter of beef and should remain a net importer for some time.

ILMA Trains Latin American Marketing Specialists

Highly qualified and experienced agricultural marketing specialists are a rare commodity in Latin America, but at least one country has taken steps to produce a supply of them. The Government of Colombia—with some help from FAO—is operating the Latin American Agricultural Marketing Institute (ILMA) in Bogotá, training grounds since 1962 for several hundred advisers and researchers.

The idea for ILMA grew out of a 1961 Technical Seminar for Agricultural Marketing in Bogotá which brought together Latin American agriculturalists from 11 countries and representatives of various technical assistance organizations. Delegates came to the seminar with some alarming figures. For agriculture to function efficiently, Latin America by 1970 would need some 9,500 marketing specialists, 7,000 technicians, and 2,000 special directors and advisers.

Training at home was wholly inadequate, and as a result students interested in these fields had to study abroad. This system had some big drawbacks, among them language difficulties and expenses. Furthermore, training in an economic and social environment differing greatly from that of Latin America often resulted in training of limited value, particularly for students from lesser developed countries.

So the seminar delegates agreed to create a university-level institute that would guarantee their countries a professional corps of marketing specialists. Financial help was solicited from the Food and Agricultural Organization of the United Nations, and all important Colombian organizations were called upon to help. Soon after, modern buildings went up and classes began. Young men studied how to market meats, vegetables, dairy products, and grains; how to classify commodities for export; how supermarkets operate; how statistics are useful; and other related subjects leading to a marketing degree.

Beyond ILMA's initial task of training in marketing are its contracted research projects on local marketing problems. Probably ILMA's most far-reaching influence will be in stimulating the creation of training institutes like it elsewhere in Latin America.

Canada's 1968 Oilseed Acreages

Preliminary estimates of Canada's oilseed acreage in 1968 indicate increases in the flaxseed and soybean areas but a drop in the area planted to rapeseed, according to the August 2 release of the Dominion Bureau of Statistics.

The flaxseed area, estimated at 1,524,000 acres, is 49 percent over last year's area of 1,023,400 and 12 percent above the intended area of planting published in March.

Soybean acreage of 295,000 acres is 2 percent above last year's acreage, though 2 percent less than that indicated in March.

The rapeseed area of 1,052,000 acres fell 35 percent below the 1,620,000 of 1967 and was 23 percent less than indicated by the farmers' intentions to plant.

A Look at India's Oilseeds Situation

BY JAWHAR A. THADANI
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The vegetable oils situation for India has considerably improved in 1968 after a period of 4 difficult years, thanks to the large oilseeds crops harvested in 1967-68. The domestic production situation for the ensuing season also shows promise, but much still depends on weather conditions during September and October.

India's output of oilseeds, like its other agricultural production, depends largely on the weather; only 6 percent of the total area planted to oilseeds is under irrigation.

India's oilseeds output represents about one-tenth of the world's total, including nearly one-third of the world's peanuts. Prices of oils within the country have been very high during the past few years, mainly because crop failures and poor per-acre yields have resulted in a supply imbalance.

In the past 15 years the average increase in demand for oilseeds in India has risen an estimated 5 percent a year while production has increased a little over 2 percent a year. So far there is no strong evidence of a breakthrough in oilseeds yields; these have remained nearly static during three consecutive Five-Year Plans that have called for yield increases. However, the 1967-68 crop yield reached a record high.

Four difficult years

Oilseeds and their products have been in the limelight in India since the beginning of 1964, when even a record high 1963-64 peanut crop failed to bring about much improvement in the short oilseed supply situation that had been developing for several years. In 1960-61, the last year of the Second Five-Year Plan, the production of India's five major oilseeds—peanuts, sesameseed, rapeseed and mustardseed, flaxseed, and castorseed—was about 8 percent short of the 7.6-million-ton target.

With this accumulated shortage, and production during the first 3 years of the Third Five-Year Plan much below the goals, the supply situation for vegetable oils had become difficult in the 1963-64 season. The situation was aggravated by large exports of oils in calendar years 1963 and 1964 and by several other inflationary factors. These factors, caused by heavy deficit financing by the government, included rises in prices of agricultural commodities, rising income and standards of living, and large bank credit facilities.

In mid-1964, the Government of India (GOI) took several steps designed to ease the situation. It introduced several measures to keep prices in check, all of which proved largely ineffective because of the very wide gap between supply and demand. On June 1, GOI imposed a ban on forward trading in 14 agricultural commodities, including peanuts, peanut oil, and peanut cake.

On July 8, the Reserve Bank of India tightened credit restrictions on advances of scheduled banks against security of peanuts, peanut oil, and vanaspati (hydrogenated vegetable oil). On July 11, the GOI banned the export of edible oils and vanaspati. A series of other corrective measures followed—including the intra-State and inter-State ban on movement of some seeds and oils imposed by certain States, imports of U.S. P.L. 480 soybean and cottonseed oils, freezing of unsecured advances, margin restrictions on oilseeds and oils, and restrictions on holding of stocks by traders.

In 1964-65, the crop situation improved, with another record peanut crop. However, production dropped in the following 2 years, creating a near famine in edible oils, and market forces equated the small supply to the increasing demand by pushing up prices. As prices of oilseeds and their products reached new peaks in 1966, the GOI tried several price-control measures without much success. The price of 5,625 rupees per metric ton, or 34 cents per pound, for peanut oil reached in August 1966 compared with the U.S. price of 18.6 cents for refined peanut oil.

Change for the better

The first signs on the horizon of a possibility of lower oilseeds prices appeared in June 1967, when the onset of the monsoon was timely. This was followed by well-distributed rains and fair weather throughout the growing period. Reports of some crop damage early this year (as a result of unseasonal rains and continued cold weather in some growing areas) were later partly discounted.

Currently, production for 1967-68 of all major oilseeds, including coconuts, in terms of copra, and cottonseed, is estimated at a near-record 11.2 million metric tons, compared

PRODUCTION OF MAJOR OILSEEDS IN INDIA, 1961-62 THROUGH 1967-68

Season [1]	Peanuts in shell	Sesameseed	Rapeseed and mustardseed	Flaxseed	Castorseed	Total	Copra	Cottonseed [2]
	1,000 metric tons	*1,000 metric tons*	*1,000 metric tons*	*1,000 metric tons*	*1,000 metric tons*	*1,000 metric tons*	*1,000 metric tons*	*1,000 metric tons*
1961-62	4,994	372	1,346	463	109	7,284	661	1,768
1962-63	4,821	464	1,294	433	101	7,113	741	2,148
1963-64	5,215	439	903	379	102	7,038	698	2,276
1964-65	5,888	493	1,466	503	108	8,458	726	2,134
1965-66	4,231	425	1,276	335	80	6,347	721	1,992
1966-67	4,411	404	1,245	274	81	6,415	754	1,992
1967-68 [3]	5,829	450	1,350	425	140	8,194	765	2,240

[1] For peanuts, sesameseed, and cottonseed begins October 1; for coconuts begins the following January 1; and for rapeseed and mustardseed, flaxseed, and castorseed, begins the following February 1. [2] Based on trade estimates of production of cotton, which are considered to be more accurate than the GOI estimates. [3] Preliminary.

Directorate of Economics and Statistics, Ministry of Food and Agriculture.

INDIA'S FOREIGN TRADE IN NONESSENTIAL OILSEEDS AND PRODUCTS, 1961-1967

Item	1961	1962	1963	1964	1965	1966	1967
	Metric tons	*Metric tons*	*Metric tons*	*Metric tons*	*Metric tons*	*Metric tons*	*Metric tons*
Exports:							
Oilseeds [1]	32,680	38,715	37,005	30,129	2,007	470	574
Oils	36,175	71,388	130,432	99,017	27,749	14,984	13,599
Oilcakes	484,334	728,534	908,990	976,730	898,025	819,079	736,792
Imports:							
Oilseeds [1]	89,825	91,759	85,528	80,481	66,129	40,135	30,894
Oils	37,747	47,379	39,968	36,877	58,681	44,434	60,243
Oilcakes	([2])	([2])	([2])	([2])	9,137	4,442	9,118

[1] Shelled basis. [2] Not reported.

GOI *Monthly Statistics of the Foreign Trade in India.*

with 9.2 million tons in 1966-67 and a record 11.3 million tons in 1964-65.

Vegetable oil production in 1967-68 is estimated at 2.4 million metric tons (60 percent of it from peanuts), compared with 2.0 million tons in 1966-67 and 2.4 million tons in 1964-65. The per capita availability of edible oils, including butter and ghee (clarified butter), has increased to an estimated 12.0 pounds in 1967-68 compared with 10.7 pounds in 1966-67. Because of the rapid increases in population, it still is less than the 12.9 pounds available per capita in 1964-65.

This increased availability brought a substantial relief in oil prices in India; in early July of this year peanut oil prices in Bombay had dropped to about $310 per metric ton from about $636 per ton in January 1967.

However, prices of most oils and oilseeds in India are still higher than world prices. On May 14, 1968, the GOI allowed exports of certain oilseeds and edible oils—including peanuts, peanut oil, and vanaspati—in order to earn needed foreign exchange and at the same time give a support to prices; however, chances for exporting any great volume are small because of the price disparity.

Most of the export trade in oilseed products from India is in the form of meal, with peanut meal the dominant item. A little over 70 percent of Indian cake and meal exports goes to East European countries.

Exports of cake and meal are expected to be around 850,000 metric tons during 1968, up from 1967; they are still subject to an export duty of about $16.62 per metric ton, which was imposed June 1966. About 30,000 tons of castorseed oil and 20,000 tons of handpicked selected peanuts may also be exported this year.

Role of P.L. 480 oils

Soybean oil shipped into India from the United States under Title I of Public Law 480 (sales for local currency or dollar credits) has played an important part in the edible oils economy of India in the past few years. The first purchase authorization for these oils was issued to the GOI on October 19, 1964. Since then, eight more such authorizations have been issued for a total tonnage of about 290,000 metric tons of soybean and cottonseed oils. In the first quarter of 1965, cottonseed oil accounted for 7,400 tons of the P.L. 480 shipments; since that time only a small volume of cottonseed oil has been shipped under P.L. 480.

India's oil-hungry vanaspati industry readily absorbed all the P.L. 480 oils imported through the middle of 1967, plus about 16,000 metric tons of sunflower oil imported from the USSR during 1966. In addition to peanut oil, which is the main constituent of vanaspati, in 1967 this industry consumed about 81,000 metric tons of P.L. 480 soybean oil.

P.L. 480 oils have helped India's vanaspati industry maintain its production during a period of domestic edible oil shortage. They have also helped India to hold the edible oil price line. During 1968, the improved edible oil supply position and the drop in prices of domestic edible oils have resulted in poor offtake of soybean oil even with the GOI's reduction in its release price. In mid-July the GOI State Trading Corporation of India held stocks of at least 25,000 tons of soybean oil; 27,000 more tons arrived in India during August.

The vanaspati industry has come to accept the use of soybean oil, the extent of this use depending, of course, on its cost in relation to peanut oil. It is apparent, therefore, that the industry would be likely to rely on some outside source to fill the gap in supply of liquid oils during years when the supply of domestic oils is short. The quantity imported in future years will depend on the indigenous oils situation and the price policy followed by the GOI as well as on the quantity of vanaspati produced.

Argentine Meat to Middle East

A trade mission to promote meat and livestock exports returned to Argentina last month after visiting 10 countries of the Middle East. According to Argentina's Department of Foreign Commerce, this monthlong mission was part of the government's aggressive campaign to find new markets for the country's products. The Middle East is considered a promising outlet, especially for sheep and mutton, although availability of shipping facilities for live animals is a problem.

The mission reported sales of 54,000 head of live sheep to Libya, plus small tonnages of beef and mutton, sales of 25,000 cases of corned beef and corned mutton to Syria, and a transaction involving 650 tons of mutton to Syrian importers. A shipment of 1,450 tons of frozen mutton has already gone to Iran—the first sale of frozen meat to that country. Favorable prospects for sales in Saudi Arabia were also reported.

In addition, Kuwait probably will purchase 850 tons of beef, mutton, and offals, and Argentine exporters may submit a bid to supply corned beef to the armed forces of Jordan.

Another development in Argentine meat exports last month was the resumption of shipments of beef to Spain. Spain had suspended such shipments in April, reportedly because of adequate domestic supplies.

—Based on dispatch from JOSEPH C. DODSON
U.S. Agricultural Attaché, Buenos Aires

IAPI Promotes U.S. Poultry in Europe

The following article is based on a speech by Peter Pohl of the Institute of American Poultry Industries at IAPI's Fact-Finding Conference in Kansas City.

In the relatively short span of 15 years, the American poultry industry has exported almost 2 billion pounds of processed frozen and canned poultry to 82 foreign countries. On top of that the industry has exported poultry know-how, breeding stock, hatching eggs, baby chicks, medication, feeds, processing machinery and equipment, and packaging materials throughout the world.

Export figures for 1967 show that the United States sold about 158 million pounds of poultry, down from the 271 million in 1962 but still a substantial amount. The drop was caused by barred access to countries of the European Economic Community, which imposed levies ranging from 18 to nearly 150 percent of the c.i.f. value of the merchandise, including surtax charges. In other European countries we have had to compete with heavily subsidized EEC exported poultry. All things considered, however, Europe is still our best commercial customer. Germany is the frontrunner.

U.S. chicken was introduced in Europe as an everyday consumer food item by the industry and FAS. Promotion programs acquainted the consumer in many countries with turkeys and taught them how to use poultry parts. Our foothold on the market now is maintained through sales of diversified specialties.

The Institute of American Poultry Industries, which administers its market development program through the International Trade Development Board with support from the Foreign Agricultural Service, has adjusted its program to meet the changing marketing situation. IAPI began by encouraging poultry consumption, then moved on to general promotion for U.S. poultry products. Today it also assists U.S. sellers in finding suitable European distributors and helps the Europeans move their U.S. poultry products to consumers.

IAPI has an office in Frankfurt and two smaller country offices in Rotterdam with full marketing programs in operation in Germany, Austria, Switzerland, the Netherlands, Belgium, Italy, and the United Kingdom. Limited funds are expended in Sweden, Greece, and the Arab countries.

With the help of U.S. processors, IAPI has been working on the development of poultry items showing great promise on the European market—small, dark turkey roasts; turkey goulash meat; and cooked schnitzel meat.

Despite the work already done in Europe, there is room for a much stronger sales buildup. There is an excellent market on the Continent, but times have changed and marketing methods must be prepared to change with them. Growing affluence has made buyers more selective. European buyers, like their American counterparts, appreciate a good product. They want to have it adhere to their specific requirements, and they want a minimum of trouble. Talk to them; get an understanding of their problems and you will have European outlets for your poultry for many years to come.

The Swiss Campaign

Hotel and restaurant operators and consumers have been prime targets in the U.S. poultry campaign in Switzerland so far this year.

Over 350 exhibitors representing every phase of the hotel catering and restaurant business participated in the show, including representatives of the U.S. poultry industry.

Professional chef Ernest Birsner from the Swiss women's magazine *Burdd* staged cooking demonstrations using U.S. poultry and gave out bite-size pieces to visitors. Printed handouts at the show covered the institutional uses of whole turkeys (20-24 lb.) precooked chicken and turkey rolls; breaded, precooked chicken parts; whole smoked turkey; and oven-roasted turkey rolls.

Swiss consumers are being reached by a lively campaign in five major newspapers in four cities. The papers are carrying once-a-week full-page ads under the banner "U.S. chickens—your ideal summer food." Text in French and in German stresses U.S. chicken's economy, ease of preparation, variety of uses, and dependable quality. A clip-out coupon mailed to ITDB obtains recipe folders for hausfraus and may prove a helpful barometer for the success of the ads.

Major poultry importers and wholesalers were alerted to the campaign well ahead of release dates and supplied with free window posters and recipe leaflets to encourage a tie-in effort.

The German Campaign

Promotion for American poultry in Germany this year has been pitched on the consumer side towards poultry as the "ideal summer food." Germans are being encouraged to tote along turkeys and chickens on picnics, try them barbecued, and use them in salads, sandwiches, and other traditional summer fare. Pictured above and below are covers of two recipe folders handed out to consumers.

At the institutional level, at one of Germany's leading cooking schools, 320 future chefs took a major course in preparing and serving U.S. poultry products. A program representative from ITDB lectured to the groups on American methods of growing and processing birds and the value of U.S. inspection; he also gave out information brochures.

US-Geflügelteile
Wissenswertes für die Hausfrau

Turkey in Belgium

Housewives in Belgium were exposed to strongest promotional appeal for U.S. poultry last year just before the Christmas and New Year's holidays. Turkeys were pushed as a traditional holiday dish with advertisements, recipe folders, and store displays.

Just how successful this extra promotion effort had been was pointed up in a survey early this year.

Interviewers talked to 200 housewives —100 in Brussels, 50 in Charleroi, and 50 in Ghent. The housewives were asked if they felt the advertising carried home the principal points—low cost of U.S. turkey, the choice of various weights and parts, and its ease of preparation.

Some 70 out of 200 respondents said they had turkey for Christmas, 32 of them had U.S. birds. Virtually all of those interviewed knew of the availability of U.S. turkey.

Advertising for U.S. turkey was noticed by 138 housewives. Without visual reminder of the ads, 46 of 50 recalled them mentioning turkey's low cost; 8 quoted easy preparation; and most were able to give a correct price estimate.

When asked about the various media used in the campaign, 87 housewives said they saw advertisements, 58 remembered the posters at retail stores, and 40 had seen recipe booklets.

Mrs. Hansen, Mrs. Oda, Carl Scott, and Mrs. Hamada hold U.S. poultry packs.

U.S. Poultry in Japan

Japan for several years has been a profitable target for U.S. poultry promotion, buying more than $3 million a year.

IAPI campaigned for chickens and turkeys at the American Festival in Tokyo this past spring, with cooking demonstrations, recipe handouts, and a big push for turkey as a wedding reception dish.

Along these lines IAPI's exhibit at the fair showed photos of American and Japanese weddings and gave out recipe pamphlets to Japanese brides.

A panel discussion on U.S. poultry was featured recently by Japan's leading economic journal *Jitsugyo Orai*. The three-way chat praising U.S. poultry reached a reading audience of housewives and businessmen and will be a big boost to IAPI's press campaign this year.

The discussion was directed by the magazine's editor and covered topics such as the many uses of U.S. poultry, its relative importance among imported meats, and Japan's domestic poultry industry.

Sitting around the table were IAPI's Far East Director Carl C. Scott and Mrs. Oda, executive director of the Japan Consumers Scientific Association. With them were Japanese television personality Edith Hansen and Mrs. Yosuko Hamada, interpreter. Miss Hansen, who has lived in Japan a number of years, was included because of her familiarity with poultry as an ingredient in both Japanese- and American-style dishes.

At American Festival in Tokyo, counter girl, below, sets out turkey soup for sampling. Right, shoppers look over the frozen turkey in show's self-service store.

Van Containers Best for Poultry Exports

Keeping frozen American poultry competitive in the overcrowded European market means delivering to the retailer a reasonably priced, quality product that will be fresh and appealing to his customers. Experience has shown that a shipment including even a small percentage of bruised, partially thawed birds in crumpled, pilfered boxes discourages reorders and slashes sales potential, even if the poultry is price competitive.

Commercial poultry exporters now have essentially two shipping methods from which to choose—break-bulk (loose cargo) and refrigerated van containers. Using the former is generally less expensive but most frequently results in some damage. Refrigerated van containers guarantee high quality but often high costs along with it.

To help determine the best way to lower expenses and still maintain quality the Agricultural Research Service of USDA has examined and tested poultry packaging, handling, and transportation. A recently published wrap-up of their first 9 months' findings [1] comes out strongly in favor of container shipping, with some ways to keep down costs.

Researchers set their standards for a method which maintains temperatures at between 0° and −9° and results in efficient product transfer with a minimum

Thermometers in boxes

of box damage and pilferage. Three paired tests of van-container and break-bulk shipments of frozen turkeys were made in 1966, each pair originating from the same poultry processing plant and delivered to the same European receiver. Later, an additional break-bulk test shipment and four additional van-container test shipments went out to several European countries.

Handling and truck-loading methods at the poultry processing plants were similar for both the break-bulk and the van-container shipments. Boxes were brought on pallets from the shippers' warehouses by forklift trucks to the loading docks. The boxes were then manually loaded in the trucks and van containers.

Break-bulk shipping

Damage from handling

At the port the individual boxes in break-bulk shipments were handled three times, and as units on pallets they received two additional handlings while being transferred from the refrigerated trailer to the refrigerated hold of the ship.

On arrival at the overseas port the loading process was reversed, and five more handlings were required in moving the boxes from the ship's hold to the inland delivery equipment.

Three of the break-bulk shipments were carried in refrigerated compartments located in the upper and lower between-deck spaces of dry-cargo carrier ships. The other shipment moved on a 1,300-ton, totally refrigerated cargo ship. Temperatures averaged 14°F.

Only one shipment arrived at destination in good order; the other three suffered considerable box damage. The product nonetheless was generally in good condition.

Additional box damage was caused by partial discharging of cargo from the refrigerated holds and stacking patterns on overland delivery. Researchers also reported pilferage.

Van containers

All of the refrigerated van containers used in the shipping tests were of similar design and construction, with outside dimensions 8 feet 6 inches high, 8 feet wide, and 35 feet long. Cargo capacity was 1,450 cubic feet.

After loading, the individual van containers were sealed at the processing plant and the poultry was not handled again until the seal was broken for customs inspection either at the border of the destination country or at the receiver's European warehouse. The containers each had mechanical refrigerating units which maintained temperature at −9°F. Researchers saw no evidence of pilferage.

In the three paired test shipments, transport charges, fees, and labor costs ranged from 3.4 to 7.9 cents per pound for the van-container shipments and from 3.3 to 6.0 cents per pound for break-bulk. The transport charges, fees, and labor costs per pound averaged 6.4 cents for the van-container shipments and 4.9 cents for the break-bulk shipment.

The researchers pointed out, however, that expanding container facilities in the United States and throughout Europe were bringing down port costs and overland transportation charges.

In a special packaging test with van containers, fiberboard boxes of 200- and 250-pound test strength strapped with only one steel band or no bands arrived in European markets in as good condition as fiberboard boxes of 275-pound test strength strapped with two steel bands. By using lighter boxes without straps, costs of packaging materials and strapping could be reduced by 6.7 cents per box (0.1 cent per pound).

The report also contains detailed breakdowns of transit time, load densities, labor costs, and other pertinent data.

[1] Single free copies of "Transporting Packaged Frozen Poultry to European Markets in Van Containers and Break-Bulk Shipments: An Interim Report" are available through ARS Transportation and Facilities Research Division, USDA, Room 849 Federal Center Building, Hyattsville, Md. 20782.

CROPS AND MARKETS SHORTS

Weekly Report on Rotterdam Grain Prices

Rotterdam offer prices for U.S. hard wheats increased between August 13 and August 20, 1968. The price for U.S. Spring was up 5 cents; U.S. Hard Winter and Soft Red Winter increased 1 cent. Canadian Manitoba remained unchanged. USSR 121 and Argentine prices were unquoted.

U.S. corn was up 2 cents, while Argentine corn and South African White declined 1 cent.

A listing of the prices follows:

Item	Aug. 20	Aug. 13	A year ago
	Dol.	*Dol.*	*Dol.*
Wheat:	*per bu.*	*per bu.*	*per. bu.*
Canadian No. 2 Manitoba	2.02	2.02	2.16
USSR 121	(1)	(1)	(1)
U.S. No. 2 Dark Northern Spring, 14 percent	1.93	1.88	2.04
U.S. No. 2 Hard Winter, 14 percent	1.92	1.91	1.96
Argentine	(1)	(1)	(1)
U.S. No. 2 Soft Red Winter	1.78	1.77	1.71
Corn:			
U.S. No. 3 Yellow	1.23	1.21	1.45
Argentine Plate	1.41	1.42	1.59
South African White	1.38	1.39	(1)

[1] Not quoted.

Note: All quotes c.i.f. Rotterdam for 30- to 60-day delivery.

Yugoslavian Cotton Imports Down

Yugoslavia's imports of raw cotton in 1967-68 (July-June) totaled 361,000 bales (480 lb. net), down 21 percent from the record import of 456,000 bales in the previous season. The decline in imports is attributed to lower mill activity and a relatively large carryover of raw cotton from the 1966-67 season. Reportedly, mill offtake in the 1967-68 year was down because of a decrease in domestic demand for Yugoslav textiles.

The major suppliers of cotton to Yugoslavia in the 1967-68 season, with 1966-67 figures in parentheses, were: the Soviet Union 120,000 bales (57,000); the United States 64,000 (196,000); Egypt 47,000 (60,000); Greece 45,000 (57,000); and Pakistan 34,000 (11,000). The United States supplied Yugoslavia with 18 percent of its total imports, compared with the 1962-66 average of 38 percent. The United States has been a traditional supplier of cotton to Yugoslavia, and in the past a large part of the U.S. shipments were financed under P.L. 480 arrangements. Yugoslavia is no longer eligible for P.L. 480 financing, but it is eligible for and is taking advantage of CCC credit. A new bilateral agreement signed between Yugoslavia and Russia calls for the import of $4.3 million worth of Russian cotton during calendar 1968. The agreement is reflected in part by the significant increase in Yugoslav imports of Russian cotton in the first 6 months of 1968—57,000 bales, compared with 34,000 in the same months a year earlier.

Because of relatively unfavorable climatic conditions and keen competition from other crops, cotton has been and will probably remain a minor crop in Yugoslavia. The 1967-68 cotton crop is estimated at 15,000 bales, compared with 9,000 in the previous season. The increase in production is attributed to expanded acreage and improved yields.

Peach Prices Lowered in Canada

Canadian canners and other processors will pay a total of Can$135 per ton—$5 below last year—for peaches 2 inches and larger, according to a recent announcement of the Ontario Tender Fruit Growers' Marketing Board. The reduction is attributed to competition from increased imports of Australian canned peaches.

Australia last year accounted for approximately 39 percent of the total canned peach import. The United States shipped about 55 percent and South Africa, about 7 percent. The 66-million-pound total was roughly twice the quantity imported some 12 years ago.

Netherlands Canned Fruit and Juice Prices

Selling prices (landed, duty-paid) in the Netherlands of selected canned fruits and juices are as follows:

Type and quality	Size of can	Price per dozen units			Origin
		June 1967	April 1968	June 1968	
CANNED FRUIT		*U.S. dol.*	*U.S. dol.*	*U.S. dol.*	
Apricots, halves:					
Choice, heavy syrup	2½	....	4.24	4.24	S. Africa
Not specified	2½	....	....	3.51	Spain
Do	15 oz.	2.06	1.96	1.96	Spain
Cherries, sweet, not pitted:					
Not specified	2½	6.20	6.10	6.10	Italy
Cherries, R.S.P.:					
Not specified	5 kg.	....	35.64	33.98	Yugoslavia
Fruit cocktail:					
Choice, heavy syrup	2½	....	5.60	5.67	Australia
Do	8 oz.	....	....	2.12	S. Africa
Two fruits (pears and peaches):					
Choice, light syrup	2½	....	4.57	4.61	Australia
Peaches, Cling stone:					
Choice, heavy syrup	8 oz.	1.82	1.92	1.82	U.S.
Do	2½	....	....	4.41	S. Africa
Choice, light syrup	2½	....	4.18	4.18	Australia
Pear halves:					
Choice, heavy syrup	2½	4.44	4.94	5.01	Australia
Pineapple:					
Slices, fancy	2½	....	5.47	5.47	U.S.
Slices, choice, heavy syrup	2½	4.71	4.64	4.31	U.S.
Slices, heavy syrup	30 oz.	4.08	4.04	4.04	Taiwan
Half slices, standard	2½	....	4.08	3.91	U.S.
Do	2½	....	3.81	3.81	Philippines
Chunks, heavy syrup	2½	3.88	3.94	3.91	U.S.
Pieces, heavy syrup	20 oz.	2.15	....	2.19	Taiwan
Pieces, standard	2½	....	3.08	3.08	Philippines
CANNED JUICES					
Grapefruit, unsweetened	[1] 1 qt.	4.21	4.48	4.48	U.S.
Orange, unsweetened	[1] 1 qt.	4.21	5.80	5.80	U.S.
Do	6	.94	.94	.94	Greece
Do	[1] 0.7	....	3.22	3.22	Israel

[1] In glass bottles.

India Ups Soybean Oil Price

The State Trading Corporation of India (STC) has raised its sales price of U.S. soybean oil imported under Public Law 480, effective July 29. The new prices are determined by zones and applicable through August 8.

The upward revision of soybean oil prices by the STC was due to the sharp increase in peanut oil prices which rose from $326 per ton to $379 during July. The increase, amounting to $53 per ton, is the same as the price increase for soybean oil in the North Zone of Kandla.

Prices for all oilseeds and oils in India increased sharply in July owing to the lack of rainfall in Gujarat, a major peanut producing area, where sowings were delayed for 2 weeks. The overall progress of the monsoon in Gujarat is now reported to be satisfactory.

INDIA'S SOYBEAN OIL PRICES

Area	As revised July 10, 1968	As revised July 29, 1968	Amount of increase
	Dol. per metric ton	*Dol. per metric ton*	*Dol. per metric ton*
South Zone, Madras	269	285	16
North Zone, Kandla	283	336	53
West Zone, Bombay	293	342	50
East Zone, Calcutta	327	350	23
Others	—	319	[1] 8

[1] Increase over the end-of-May price of $311 per ton applicable to all of India.

U.S. Exports of Soybeans, Oils, and Meals

Soybean exports in June totaled 18.7 million bushels, down slightly from the June total of 20.0 million of a year ago. The current 10-month total of 232.3 million bushels maintained an edge of 3.7 million over last year's cumulative exports. More soybeans were shipped to Japan, the Netherlands, Spain, and Denmark, but exports to other major markets showed slight declines.

Soybean and cottonseed oil exports of 135.8 million pounds, although 9.9 million less than in June of last year, were higher than any other monthly total so far this marketing year. Larger shipments under Public Law 480, especially to India, accounted for the substantial volume exported in June. The current cumulative total, however, of 773.1 million pounds, representing 3 quarters of the marketing year, lagged 99.8 million pounds behind exports in the same period a year ago.

Soybean meal exports totaled 231,900 tons, 12 percent above the June total last year. In the first 9 months of the current marketing year soybean meal exports climbed to 2.3 million tons, compared with 2.1 million in the same months of the preceding year. Exports to the EEC increased 19 percent, or 252,300 tons. Increased amounts were also shipped to the United Kingdom and Poland. Exports to Yugoslavia and Denmark, however, declined by 42 and 23 percent, respectively.

Exports classified as "Other cake and meal," in which peanut, copra, and other meals are included, were reported by the Bureau of the Census as 116,875 tons for the month of June. Normally, exports in this category range from 2,000 to 7,000 tons per month. A revision obtained by trade sources from the Bureau of Census indicates June exports to be 6,730 tons. When an official revision is released by the Bureau of the Census, the export totals for all cakes and meals, shown in the accompanying table as 348,900 tons for June and 2,489,000 tons for the current 9-month period, will be adjusted accordingly.

U.S. EXPORTS OF SOYBEANS, EDIBLE OILS, AND OILCAKES AND MEALS

Item and country of destination	Unit	June 1967[1]	June 1968[1]	Sept.-June 1966-67[1]	Sept.-June 1967-68[1]
SOYBEANS					
Belgium	Mil. bu.	0.5	0.1	8.2	7.1
France	do.	.1	([2])	2.1	.5
Germany, West	do.	2.2	2.3	29.8	28.6
Italy	do.	1.4	.8	16.6	13.2
Netherlands	do.	2.9	1.0	31.5	33.8
Total EEC	do.	7.1	4.2	88.2	83.2
Japan	do.	4.4	5.9	50.4	62.0
Spain	do.	2.2	2.4	22.4	24.4
Canada	do.	3.1	1.9	20.8	18.6
Denmark	do.	1.1	1.1	13.3	13.9
China, Taiwan	do.	1.5	1.6	9.4	9.4
Others	do.	.6	1.6	24.1	20.8
Total	do.	20.0	18.7	228.6	232.3
Oil equivalent	Mil. lb.	219.8	204.8	2,510.2	2,550.2
Meal equivalent	1,000 tons	470.3	438.4	5,372.5	5,458.2

EDIBLE OILS		June		Oct.-June	
Soybean: [3]		1967	1968	1966-67	1967-68
India	Mil. lb.	19.2	61.7	158.0	180.0
Pakistan	do.	26.7	22.2	75.1	147.9
Tunisia	do.	24.9	8.1	96.0	94.0
Dominican Republic	do.	.2	16.7	8.6	45.2
Morocco	do.	0	0	9.2	29.8
Vietnam, South	do.	2.4	0	22.3	28.9
Israel	do.	0	3.9	11.8	27.5
Brazil	do.	1.4	5.3	22.0	20.6
Canada	do.	2.7	1.8	16.8	17.6
Haiti	do.	1.0	1.7	10.6	12.9
Others	do.	64.2	8.9	367.1	127.8
Total	do.	142.7	130.3	797.5	732.2
Cottonseed: [3]					
Venezuela	do.	2.1	4.4	23.9	28.0
Canada	do.	.6	.1	6.2	6.4
Japan	do.	0	([4])	1.0	1.7
Others	do.	.3	1.0	34.3	4.8
Total	do.	3.0	5.5	65.4	40.9
Total oils	do.	145.7	135.8	862.9	773.1
CAKES AND MEALS					
Soybean:					
Belgium	1,000 tons	13.2	10.2	148.2	200.0
France	do.	29.8	22.3	329.0	359.2
Germany, West	do.	28.9	36.1	379.7	422.0
Italy	do.	4.1	42.0	143.7	152.6
Netherlands	do.	41.9	64.1	318.1	437.2
Total EEC	do.	117.9	174.7	1,318.7	1,571.0
Canada	do.	21.0	19.0	174.0	174.2
United Kingdom	do.	12.7	3.3	66.5	76.0
Yugoslavia	do.	20.8	13.6	126.2	72.8
Denmark	do.	16.0	3.8	85.2	66.0
Poland	do.	3.3	0	39.8	47.7
Others	do.	15.4	17.5	245.9	248.8
Total	do.	207.1	231.9	2,056.3	2,256.5
Cottonseed	do.	.1	.1	6.5	2.1
Linseed	do.	8.8	0	76.9	80.0
Total cakes and meals [5]	do.	[6]221.1	348.9	[6]2,160.5	2,489.0

[1] Preliminary. [2] Less than 50,000 bushels. [3] Includes shipments under P.L. 480 as reported by Census. [4] Less than 50,000 pounds. [5] Includes peanut cake and meal and small quantities of other cakes and meals. [6] Subject to revision.

Compiled from Census records.

USSR Buying More Indian Pepper

Reflecting a sharp increase in shipments to the USSR, India's black pepper exports during the first 4 months of 1968 have totaled 31.5 million pounds, up 61 percent over the corresponding 1967 months. During the 4-month period, shipments to the USSR more than tripled those of the comparative 1967 period, reaching 20 million pounds—the highest on record for any January-April. Total Indian pepper exports in 1967 amounted to 46 million pounds, compared with 54.8 million in 1966.

Sales to the United States this year remain at very low levels as U.S. importers continue to buy lower priced Indonesian pepper. During 1967, India exported only 2.4 million pounds to the United States, compared with 11.7 million in 1966. The high 7-cent-per-pound export duty levied by the Indian Government has made India's pepper less competitive with that of other sources such as Indonesia, Sarawak, and Brazil. However, through bilateral trade agreements, exports to the Communist countries have continued to expand, accounting for 79 percent of the total January-April 1968 shipments.

Canadian 1967 Honey Crop Larger

The revised estimate for the 1967 Canadian honey crop has been placed at 45.7 million pounds, an increase of 3 percent over that of 1966. Canada's exportable surplus for 1968 is now estimated at 11 million pounds, compared with exports of 4.3 million in 1967.

Canadian honey exports to the United Kingdom, the usual primary destination, have reportedly been reduced since the devaluation of the English pound in November 1967. They were only 3.1 million pounds in 1967, compared with 7.9 million in 1966. Because of the drop in Canadian sales in the United Kingdom, Canadian exporters are reported to be looking for new markets elsewhere, including the United States.

The 1967 crop increase is believed to have resulted in a carryover in excess of 5 million pounds. Much of the carryover stocks are thought to be held by the large cooperatives in the western Provinces, particularly Alberta.

U.S. Imports of Tobacco for Consumption Rise

U.S. imports of unmanufactured tobacco for consumption totaled 116 million pounds during the period January-June 1968, compared with 94 million for the first half of 1967, an increase of 23 percent.

Cigarette leaf (mostly oriental) imports at 88 million pounds were 17 percent above the 75 million imported during the same period in 1967. Turkey, Greece, and Yugoslavia were the largest suppliers of oriental leaf, with shipments of 49 million, 25 million, and 9 million pounds respectively. The small amount of flue-cured and burley imported originated principally in Mexico, Zambia, and Canada.

Brazil and Colombia with combined shipments of 1 million pounds accounted, in large part, for the 19-percent increase in imports of cigar filler.

Imports of scrap increased 50 percent, with Turkey, the Philippines, and the Dominican Republic registering the largest increases.

U.S. IMPORTS OF UNMANUFACTURED TOBACCO [1]

Kind and origin	January-June 1967	January-June 1968
	1,000 pounds	*1,000 pounds*
Cigarette leaf:		
Turkey	46,692	49,091
Greece	18,545	25,343
Yugoslavia	6,647	9,008
Lebanon	1,105	1,299
Mexico	0	1,050
Other	2,176	2,502
Total	75,165	88,293
Cigar filler, stemmed and unstemmed:		
Dominican Republic	702	559
Brazil	205	495
Colombia	178	484
Mexico	444	425
Honduras	301	361
Other	603	575
Total	2,433	2,899
Cigar wrapper	171	250
Mixed filler and wrapper	145	66
Scrap:		
Philippines	7,237	8,820
Dominican Republic	1,817	3,058
Turkey	973	3,043
Brazil	1,413	2,099
Colombia	1,303	1,957
Other	3,562	5,443
Total	16,305	24,420
Stems	84	298
Grand total	94,303	116,226

[1] Includes withdrawals from bond for consumption and release from customs immediately upon arrival.

Bureau of the Census.

U.S. 1967-68 Tobacco Exports Stay High

Fiscal 1968 exports of unmanufactured tobacco totaled 565 million pounds valued at $494 million compared with 627 million pounds valued at $550 million for the previous fiscal year. Fiscal 1968 shipments were the second largest since fiscal 1955-56 and 20 percent higher than those in fiscal 1965-66. Thus export trade in fiscal 1968 continued at a high volume despite the extraordinarily high level of unmanufactured tobacco exports in fiscal 1967.

U.S. EXPORTS OF UNMANUFACTURED TOBACCO
[Export weight]

Kind	Quantity 1967 [1]	Quantity 1968 [1][2]	Percent change	Value 1967 [1]	Value 1968 [1][2]
	1,000 pounds	*1,000 pounds*	*Percent*	*1,000 dollars*	*1,000 dollars*
Flue-cured	481,569	427,617	−11.2	447,691	405,898
Burley	50,150	37,955	−24.3	43,708	33,554
Dark fired Ky.-Tenn.	20,549	19,247	− 6.3	11,067	10,247
Va. Fire-cured [3]	6,380	4,650	−27.1	4,005	3,032
Maryland	14,479	12,383	−14.5	11,791	9,670
Green River	759	603	−20.6	452	357
One Sucker	1,164	572	−50.9	480	259
Black Fat	3,732	3,142	−15.8	3,322	2,335
Cigar wrapper	3,773	4,282	+13.5	12,774	13,742
Cigar binder	1,817	2,157	+18.7	1,613	1,663
Cigar filler	1,846	672	−63.6	1,049	365
Other	40,414	51,521	+27.5	11,714	12,488
Total	626,632	564,801	− 9.9	549,666	493,610

[1] Fiscal year. [2] Preliminary; subject to revision. [3] Includes sun-cured.

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Exports of flue-cured in fiscal 1968 were 428 million pounds for an average export price of 94.9 cents per pound. Comparable figures for fiscal 1967 were 482 million pounds with an average price of 93.0 cents per pound. Burley exports in fiscal 1968 were 38 million pounds, compared with 50 million in fiscal 1967. Average export prices for each year were 88.4 and 87.1 cents per pound, respectively.

U.S. Flue-Cured, Burley Exports Fall

Exports of U.S. flue-cured tobacco in fiscal 1968 were 427.6 million pounds, down from the 481.6 million shipped in fiscal 1967. Taiwan, with takings of 12 million pounds, became a major market for flue-cured in fiscal 1968. Other major markets were the United Kingdom, West Germany, Japan, Belgium-Luxembourg, Denmark, Ireland, Australia, and South Vietnam.

Burley exports also fell in fiscal 1968 with shipments of 38.0 million pounds, compared with 50.2 million in the previous fiscal year. West Germany, Portugal, Italy, Sweden, Denmark, and the Netherlands were the primary purchasers of U.S. burley, taking 58 percent of total shipments.

U.S. EXPORTS OF FLUE-CURED AND BURLEY TOBACCO
[Export weight]

Destination	Flue-cured		Burley	
	1967 [1]	1968 [1] [2]	1967 [1]	1968 [1] [2]
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*
United Kingdom	119.1	120.9	0.1	0.1
Germany, West	106.3	67.5	15.2	7.2
Japan	40.5	35.0	....	....
Netherlands	22.0	27.1	3.0	2.3
Thailand	17.8	17.7	3.7	1.9
Belgium-Luxembourg	16.5	14.2	1.4	1.9
Taiwan	4.7	12.1	....	....
Denmark	14.1	11.9	2.9	2.8
Ireland	16.3	10.7	....	([3])
Australia	17.3	10.1	.9	.8
Vietnam, South	12.8	9.9	([3])	.1
Switzerland	8.2	9.2	2.4	2.0
Sweden	10.0	8.4	5.1	3.1
Norway	6.9	7.2	1.1	.8
Malaysia	4.6	6.4	....	....
Philippines	5.4	5.6	1.3	1.9
Hong Kong	4.3	4.5	.7	1.4
New Zealand	4.9	4.3	.1	.2
Italy	1.8	4.1	.7	3.2
Pakistan	.5	3.9	....	.1
Austria	3.7	3.5	.2	.9
Finland	4.6	3.5	1.7	.9
Spain	4.2	3.0	....	....
France	2.8	3.0	.5	.6
Singapore	2.3	2.5	....	....
Portugal	1.7	1.9	1.8	3.5
Other	28.3	19.5	7.4	2.3
Total	481.6	427.6	50.2	38.0

[1] Fiscal year. [2] Preliminary; subject to revision. [3] Less than 50,000 pounds.
Bureau of the Census.

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